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THE Tobacco SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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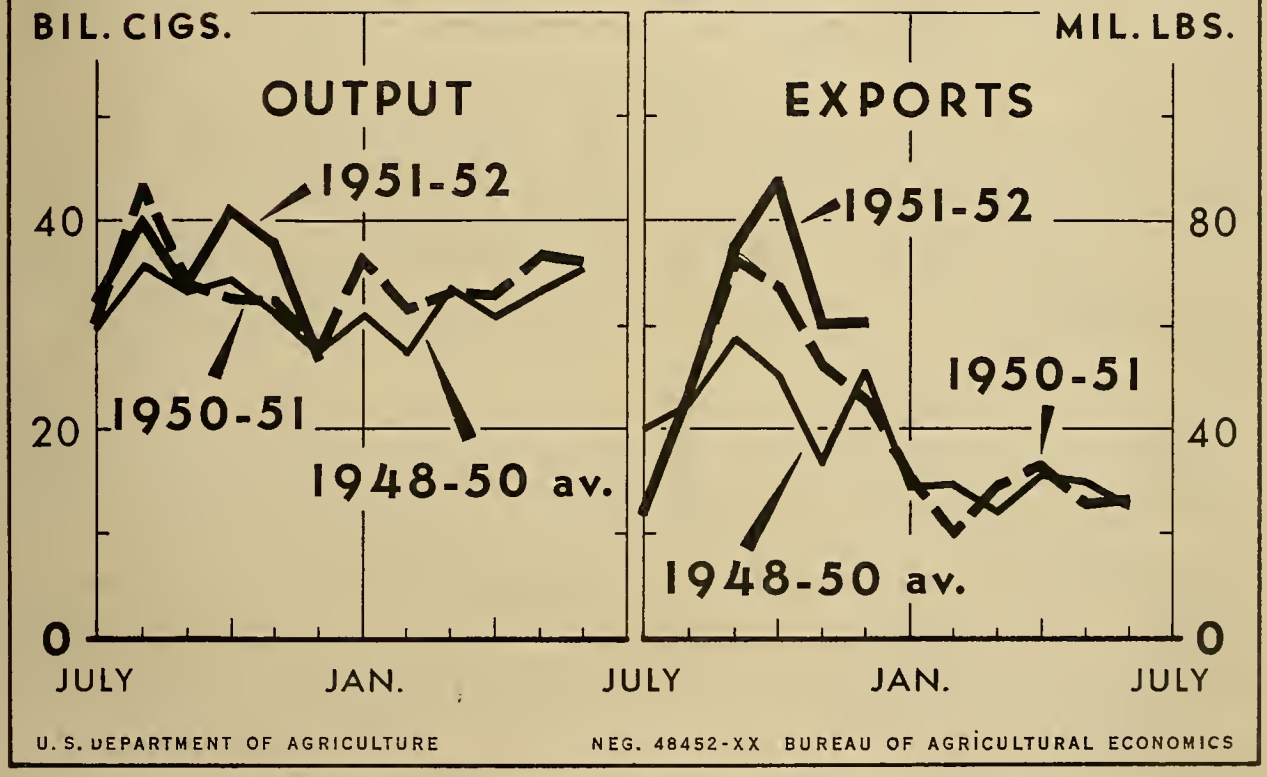
CIGARETTE OUTPUT AND TOBACCO EXPORTS



U. S. DEPARTMENT OF AGRICULTURE NEG. 48452-XX BUREAU OF AGRICULTURAL ECONOMICS

During the last half of 1951, cigarette output in the United States was 5.7 percent larger than in the same period of 1950. In October and November, cigarette manufacture was unusually large for those months. In calendar year 1951, total manufacture was a record 419 billion–27 billion more than in 1950. About 95 percent were consumed in this country and by United States forces overseas and the bulk of the remainder were exported to numerous foreign countries.

During the last half of 1951, exports of unmanufactured tobacco from the United States were 14 percent above those in the last half of 1950. The larger quantity going to Britain (where stocks of United States tobacco were very low) was the major factor contributing to the increase. Total exports of tobacco during calendar year 1951 were 521 million pounds (export weight)–43 million pounds more than in 1950. The total for 1952 is likely to be moderately lower than in 1951. In late January, Britain announced that her tobacco imports would be cut.

STATISTICAL SUMMARY

Item	Unit or base period	1950				1951				Last data available as percentage of a year earlier
		Sept.	Oct.	Nov.	Dec.	Sept.	Oct.	Nov.	Dec.	
Prices received at auctions										
Flue-cured	Cents per lb.	55.5	55.0	52.2	43.8	51.8	56.1	50.7	43.7	100
Burley	Cents per lb.	1/	1/	49.6	48.2	1/	1/	54.2	52.1	108
Fire-cured	Cents per lb.	1/	1/	36.4	35.3	1/	1/	37.8	39.1	111
Dark air-cured	Cents per lb.	1/	1/	32.1	25.3	1/	1/	34.8	33.8	134
Parity prices										
Flue-cured	Cents per lb.	51.0	51.2	51.5	51.9	56.1	56.3	56.5	56.5	109
Burley	Cents per lb.	51.0	51.2	51.5	51.9	55.3	55.5	55.7	55.7	107
Maryland	Cents per lb.	56.7	56.9	57.3	57.8	60.6	60.8	61.1	61.1	106
Fire-cured	Cents per lb.	30.4	30.5	30.8	31.0	33.6	33.7	33.8	33.8	109
Dark air-cured (35-36)	Cents per lb.	27.3	27.4	27.6	27.8	29.6	29.7	29.8	29.8	107
Virginia sun-cured (37)	Cents per lb.	34.3	34.5	34.7	35.0	37.5	37.6	37.8	37.8	108
Parity index	1910-14=100	260	261	263	265	282	283	284	284	107
Tax-paid withdrawals										
Cigarettes, small	Billion	31	30	30	25	31	38	34	24	96
Cigars, large 2/	Million	504	554	545	375	491	591	554	368	98
Chewing and smoking	Mil. lb.	18	19	15	10	17	12	20	11	110
Snuff	Mil. lb.	3.2	3.4	3.3	3.1	2.9	2.1	4.1	3.3	106
Accumulated since Jan. 1										
Cigarettes, small	Billion	276	306	336	361	285	323	357	380	105
Cigars, large 2/	Million	4,064	4,618	5,163	5,538	4,221	4,812	5,366	5,735	104
Chewing and smoking	Mil. lb.	146	165	180	191	141	153	173	184	96
Snuff	Mil. lb.	30	34	37	40	29	31	36	39	98
Cigarettes, tax-free	Billion	3	3	3	3	3	3	4	4	133
Accumulated since Jan. 1										
Tax-free	Billion	23	26	29	32	28	32	35	39	122
Tax-paid plus tax-free	Billion	299	333	365	393	313	354	392	419	107
Stocks, beginning of quarter (farm-sales weight)										
Flue-cured	Mil. lb.		1,857				1,935			104
Burley	Mil. lb.		1,000				981			98
Maryland	Mil. lb.		60				64			107
Fire-cured	Mil. lb.		165				147			89
Dark air-cured	Mil. lb.		80				72			90
Cigar, filler 2/	Mil. lb.		195				205			105
Cigar, binder	Mil. lb.		135				142			105
Cigar, wrapper	Mil. lb.		23				25			109
Exports (farm-sales wt.)										
Flue-cured	Mil. lb.	71.8	69.3	51.4	42.5	76.7	92.2	61.4	61.0	144
Burley	Mil. lb.	5.6	3.8	3.1	2.2	2.1	3.4	2.2	2.4	109
Maryland	Mil. lb.	.7	1.0	.3	.5	.7	.7	.6	.4	80
Fire-cured	Mil. lb.	2.3	1.7	2.7	5.0	2.8	2.3	3.0	2.9	58
Dark air-cured	Mil. lb.	.7	.6	.5	1.2	2.0	.6	.8	.9	75
Cigar	Mil. lb.	1.9	.6	.4	.3	.9	.7	.4	1.0	333
Accumulated since beginning of crop year										
Flue-cured	Mil. lb.	135.3	204.6	256.0	298.5	147.6	239.8	301.3	362.3	121
Burley	Mil. lb.	40.9	3/ 3.8	6.9	9.1	30.0	3/ 3.4	5.7	8.1	89
Maryland	Mil. lb.	7.4	3/ 1.0	1.4	1.8	8.4	3/ .7	1.3	1.7	94
Fire-cured	Mil. lb.	29.1	3/ 1.7	4.4	9.4	39.8	3/ 2.3	5.3	8.1	86
Dark air-cured	Mil. lb.	6.2	3/ .6	1.2	2.3	10.3	3/ .6	1.3	2.3	100
Cigar filler and binder	Mil. lb.	6.3	3/ .4	.8	1.0	3.7	3/ .4	.6	1.1	110
Cigar wrapper	Mil. lb.	1.5	1.7	1.8	1.9	1.2	1.5	1.7	2.2	116
Personal income 4/	Bil. dol.	232	234	236	244	254	258	256	257	105
Index of industrial production 5/	1935-39=100	211	216	215	218	219	218	219	218	100
Percent labor force employed	Monthly	96.3	97.0	96.5	96.4	97.5	97.5	97.1	97.3	101

1/ Closed. 2/ Includes Puerto Rican. 3/ Beginning of crop year. 4/ Seasonally adjusted monthly totals at annual rate. 5/ Adjusted.

THE TOBACCO SITUATION

Approved by the Outlook and Situation Board February 26, 1952

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SUMMARY

Domestic demand for most tobacco is expected to continue strong in the year ahead. Employment and consumer incomes seem likely to reach new highs and the consumption of most tobacco products probably will be as large as or larger than last year. In 1952 cigarette consumption in this country and by its citizens overseas probably will exceed the 1951 record of 401 billion. Total output of cigarettes in 1951, including those for commercial export to foreign countries, was 419 billion--27 billion more than in 1950.

Growers of flue-cured and Burley tobacco, the principal cigarette types, are expected to harvest about the same acreage in 1952 as in 1951 since acreage allotments are approximately the same. If yields per acre are near the averages of the recent 5 years, the outturn of flue-cured and Burley will be within about 5 percent of last year's high production. The carry-overs of flue-cured and Burley at the beginning of the 1952-53 marketing year (July 1 for flue-cured and October 1 for Burley) will be larger than at the outset of 1951-52. Total supplies of both kinds for 1952-53 probably will exceed those of the current year. However, consumption also is likely to increase and the ratio of supply to disappearance will not change very much.

The 1952 price support levels for flue-cured and Burley tobacco probably will be about as high as or perhaps slightly higher than the support levels for the 1951 crops. The price supports for flue-cured and Burley are computed at 90 percent of their parity prices. The auction market average for flue-cured in 1951 was slightly above 52 cents per pound--4 to 5 percent lower than the 1950 crop average, but prices for numerous grades were higher than a year earlier. The auction market average for Burley in the recent marketing season was about 51 cents per pound--4 1/2 percent above the 1950 crop average and the highest on record.

Supplies of Maryland tobacco, also primarily a cigarette type, are at a peak. A quota was not in effect on the 1951 crop and will not be in effect on the 1952 crop. Government price support will not be available on Maryland tobacco when the 1951 crop goes to market this spring.

Tobacco exports from the United States in the 1951 calendar year totaled 521 million pounds (export weight) valued at 323 million dollars. Volume was 9 percent greater and value was 29 percent higher than in 1950. On a farm-sales weight basis, the tobacco exported in 1951 was equal to approximately 575 million pounds--the equivalent of a little more than one-fourth of the total production for last year. In 1951, flue-cured tobacco accounted for nearly five-sixths of total tobacco exports.

The export demand for 1952 crop tobacco is not likely to be as strong as last season. Britain's takings probably will be smaller than originally planned because of the decline in her gold and dollar reserves resulting to a considerable extent from the fact that prices of her imports were up considerably more than the prices of her exports. Other countries in the sterling pool will also seek to restrict dollar imports. On the other hand, in the past year a notable improvement has occurred in the economic position of some other countries usually importing United States tobacco. Also, United States funds spent in Europe for military and economic assistance will help in reducing foreign exchange shortages in the coming year.

In 1951 the output of smoking tobacco--a sizable Burley outlet--was a little over 101 million pounds, 6 percent less than in 1950 and the smallest in 50 years. The 1951 output of chewing tobacco was about 86 1/2 million pounds and of snuff, near 39 1/2 million pounds. Both were quite close to 1950 levels. Chewing tobacco is the major outlet for dark air-cured tobacco and it also takes some Burley and cigar binder tobacco. Snuff is the main domestic use for fire-cured types. The 1951 exports of fire-cured were about 13 percent larger than in 1950--all of the increase being in the Kentucky-Tennessee types. The dark air-cured tobacco exports increased sharply from 1950 to 1951.

For the 1951-52 marketing year, supplies of fire-cured and dark air-cured tobacco are a little lower than those for 1950-51. The 1952 acreage allotments will be approximately the same as in 1951 except for Virginia sun-cured (type 37), which will be about one-tenth larger than in 1950. The prices received for the 1951 crops of fire-cured and dark air-cured were well above those of last season when the general averages, particularly in Kentucky-Tennessee, were unusually low because of the poor quality crops resulting from adverse weather conditions.

Cigar consumption in this country in 1951, at about 5,735 million, was 3 1/2 percent higher than in 1950. There are indications that a significant part of the increase was in cigarillos. Some further increase in cigar consumption may occur in 1952.

The 1951 production of domestic cigar filler was 6 percent below 1950, but the larger carry-over raised total supplies for 1951-52 to the highest level since 1942-43. The 1951-52 supply of all binder types combined is down 4 1/2 percent from the 1950-51 level. The 1951 production of the binder types was substantially lower than in 1950 but carry-over was moderately larger.

The filler types 42-44 and the binder types 51-55 were grown under acreage allotments in 1951, but quotas and acreage allotments will not be in effect on any continental cigar types in 1952. In accordance with the law, the prices for the 1952 crops of cigar tobacco (except Puerto Rican type 46) will not be supported by the Government.

TOBACCO PRODUCTS

Cigarettes

The 1951 cigarette output in this country at 419 billion was the largest on record. The 27 billion increase from 1950 has been exceeded only by the year-to-year changes during the war period, 1940 to 1944. The biggest yearly increase took place from 1941 to 1942 when total cigarette output jumped nearly 40 billion to 258 billion.

In 1951 the total consumption of cigarettes in the United States (including territories and possessions) and by overseas forces was about 401 billion and exports accounted for about 17 billion. (See table 1.) The relatively small quantity by which output exceeded the total of consumption plus exports is considered a part of the manufacturers' year-end inventories. The 1951 consumption of cigarettes in this country and its territories and possessions was approximately 381 billion compared with 362 billion in 1950 and 354 billion in 1949. The rate of gain from 1950 to 1951 was 5 percent and from 1949 to 1950, 2.3 percent. Cigarettes going mainly to United States forces overseas and for ships' stores totaled approximately 20 billion in 1951, 15 billion in 1950, and 12 billion in 1949. Cigarette consumption in this country in 1952 is expected to remain high and probably will exceed that of 1951. Disposable income this year will continue at a high level, and there probably will be some increase in the number of smokers. Shipments to overseas forces seem likely to be at least as high as in 1951.

Table 1.- Cigarette exports from the United States, average 1934-38, annual 1949-51, with percentages

Country	Average 1934-38	1949 1/	1950 1/	1951 1/	1951 as percentage of 1950
	Million	Million	Million	Million	Percent
Tangier & Fr. Morocco	12	1,223	1,394	1,850	133
Venezuela	39	879	1,055	1,700	161
Philippines, Rep. of	2,544	7,422	1,526	1,215	80
Hong Kong	22	983	1,143	1,199	105
British Malaya	3	90	434	1,154	266
Belgium	63	764	950	878	92
Switzerland	16	680	513	853	166
Netherlands Antilles	1,221	1,291	968	769	79
France	307	11	295	739	251
Panama & Canal Zone	389	618	616	658	107
Other countries	154	5,586	5,414	5,805	107
Total all countries	4,770	19,547	14,308	16,820	118

1/ Preliminary.

Bureau of Agricultural Economics. Compiled from publications and records of the United States Department of Commerce.

Cigarette prices were advanced on November 1, 1951, to reflect the increase from 7 to 8 cents in the rate of Federal excise tax per pack. The Bureau of Labor Statistics average retail price in large cities in December 1951 was 21 1/2 cents per pack of 20--9 percent higher than in June 1950. Since June 1950, at least six States increased their existing tax rates and Wyoming became the forty-first State to levy a tax on cigarettes. Several cities in taxing and non-taxing States also tax cigarettes. Federal and State tax collections on cigarettes in 1951 are estimated at approximately 1.8 billion dollars and will be even larger in 1952. (See table 15 for Federal collections on tobacco products in 1951 and earlier years.)

After the outbreak of the Korean war when many prices were rising, the leading manufacturers raised cigarette prices (excluding tax) by 6 percent. Manufacturers include the Federal excise tax in their list price and the percentage rise computed on this basis was about 3 percent. Cigarettes and other tobacco products have been under price ceilings since early 1951.

In the latter half of 1951, a significant number of tax-paid cigarettes went into Canada. Therefore, the tax-paid removals in the United States in that period may overstate United States consumption, although to a relatively small extent.

Cigars

Cigar consumption in 1951 as indicated by tax-paid withdrawals, totaled 5,735 million compared with 5,538 million in 1950 and 5,587 million in 1949. Tax-free removals, most of which went to United States personnel overseas, were approximately 80 million in 1951 compared with 47 million in 1950.

The major part of the gain in cigar consumption from 1950 to 1951 occurred in the 4 to 6 cent price bracket which includes the cigarillos--smaller cigars that generally sell for 5 cents each. Those in the 4 to 6 cent bracket rose 8 percent from a year earlier and comprised 36 percent of the total. The volume in the 8 to 15 cent price bracket, which includes several leading popular brands, showed only a 1 percent gain from 1950 to 1951. This group was 44 percent of the total. During the first half of 1951, consumption of 8 to 15 cent cigars was 6 percent higher than in the first half of 1950 (the period prior to the Korean war). However, in the last half of 1951, tax-paid withdrawals of this group were nearly 4 percent less than in the last half of 1950. Consumption of higher-priced cigars (selling at over 15 cents each) increased 9 percent from 1950 to 1951 and represented 5 1/2 percent of total tax-paid withdrawals in the latter year. The 1951 imports of cigars from Cuba (largely retailing for more than 20 cents each) totaled nearly 13 million--17 percent more than in 1950. Cigar imports from the Philippines were about 1 1/4 million--a relatively sharp rise from 1950 but still far lower than in prewar years.

Total consumption of cigars in 1952 is expected to show a little gain over 1951 since consumer incomes probably will reach a higher level. However, this may not mean an increase in the quantity of tobacco used by cigar manufacturers if cigarillos should account for an increasing proportion of the total.

The Bureau of Labor Statistics wholesale price index for popular brands of cigars in December 1951 was 3.8 percent higher than in June 1950. The BLS retail price average for cigars sold in large cities went up only 2.1 percent between June 1950 and December 1951.

Smoking Tobacco

The manufacture of smoking tobacco in 1951 declined from 108 million in 1950 to about 101 million in 1951, and was the lowest in the past half century. The 1951 tax-paid consumption amounted to approximately 97 million pounds and the remaining 4 million were mainly tax-free removals for exports and overseas consumption by United States forces. After a sharp drop from 1945 to 1946, annual production was quite stable through 1950.

Smoking tobacco is used in pipes and "roll your own" cigarettes. In most postwar years, about 90 percent of the cigarette papers have been tax-free and the other 10 percent (books or sets containing more than 25 papers) were tax-paid. Data on tax-free papers in 1951 are not yet available but revenue collections on cigarette papers subject to tax indicate a 3 percent decrease from 1950 to 1951.

The Revenue Act of 1951 reduced the Federal excise on smoking tobacco from 18 to 10 cents per pound, effective November 1, 1951. The Bureau of Labor Statistics wholesale price index in December 1951 was the same as for each month since January of last year and was less than 3 percent higher than the pre-Korean level. The December 1951 BLS retail price average for smoking tobacco in large cities was slightly lower than in September 1951 and a little over 2 percent above the June 1950 average.

Exports of bulk smoking tobacco totaled nearly 1.9 million pounds in 1951--about 30 percent higher than in 1950. Leading importing countries were Bolivia, Haiti, Dominican Republic, the Philippine Republic, Spain, and Argentina. Exports of packaged smoking tobacco totaled 680,000 pounds in 1951--21 percent more than in 1950. Major destinations were Canada and Australia.

Table 2.- Output of manufactured tobacco in the United States for specified periods

Period	Smoking	Chewing				Snuff
		Plug	Twist	Fine-cut	Scrap	Total	
Average:	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1935-39:	195.3	56.8	6.0	4.8	43.8	111.4	37.3
1940-44:	176.2	54.8	6.0	4.6	47.9	113.3	40.7
1945	168.5	59.7	6.7	4.0	47.7	118.1	43.8
1946	106.4	51.8	5.8	3.8	46.1	107.5	39.4
1947	104.7	47.3	5.2	3.8	42.2	98.5	39.2
1948	107.6	45.3	5.6	3.2	42.1	96.2	40.8
1949	108.1	41.9	5.6	2.8	39.6	89.9	40.9
1950	107.7	40.3	5.5	2.7	39.0	87.5	40.0
1951	101.3	39.9	4.6	2.8	39.1	86.4	39.5

Bureau of Agricultural Economics. Compiled from reports of the Bureau of Internal Revenue.

Chewing Tobacco

The 1951 output of the four groups of chewing tobacco products at 86.4 million pounds was 2 percent less than in 1950 and a record low. Tax-paid consumption in 1951 totaled over 84 million pounds--almost 2 million lower than in 1950. Tax-free removals, most of which go for exports, accounted for a little less than 2 million pounds. The 1951 tax-free removals of plug and scrap chewing were larger than in 1950 while twist was less.

The distribution of the chewing tobacco manufacture in 1951 was as follows: plug, 46.2 percent; scrap, 45.3 percent; twist, 5.3 percent; and fine-cut, 3.2 percent. The manufacture of plug, scrap, and fine-cut were relatively near their 1950 totals but twist declined about 16 percent.

Chewing tobacco is expected to hold even in 1952. There is some possibility of a small increase if more workers should use chewing tobacco as a substitute for smoking in defense or other industries where there is danger of fire or explosion.

The Revenue Act of 1951 reduced the excise tax on chewing tobacco from 18 to 10 cents per pound, effective November 1, 1951. The Federal excise is levied at the manufacturer level and list prices, which include tax, have remained about the same. Through late 1951, the BLS monthly wholesale price index for chewing tobacco had been constant for over 5 years.

The 1951 exports of chewing tobacco at nearly 1.4 million pounds were 10 percent less than in 1950. The two most important foreign destinations were the Philippine Republic and Australia.

Snuff

The 1951 output of snuff was 39 1/2 million pounds--a little lower than in 1950. Following the 9 percent drop from the 1945 peak of 43.6 million pounds, annual snuff consumption has stayed within 3 1/2 percent of 40 million pounds. Snuff is mostly consumed in the southeast and south central sections of the country and in the lumbering areas of the northwest.

The Revenue Act of 1951 reduced the excise tax from 18 to 10 cents per pound, effective November 1, 1951. The Bureau of Labor Statistics wholesale price index for dry, sweet snuff in December 1951 was nearly 9 percent higher than in June 1950. Most manufacturers raised their prices in December 1950 and retail prices, also, were generally increased.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

The export demand for the 1952 crop tobacco is not likely to be as strong as last season. The British takings, and perhaps those of some other countries, probably will be smaller. The British Government has announced a cut in tobacco imports, and the sterling area as a whole is expected to seek to restrict imports from the dollar countries in order to bring its trade position into better balance. In mid-1951, gold and dollar reserves

1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

of the sterling area at 3,867 million dollars were at a postwar peak but by the end of 1951, they had dropped to 2,335 million dollars. Contributing to this drain were (a) the much heavier imports than the relatively low level of 1950, (b) the less favorable terms of trade (prices of Britain's imports were up more than prices of her exports), and (c) the payment of interest and principal on United States and Canadian loans. Prices of raw materials purchased in sterling areas, such as wool, rubber, and tin, have declined quite sharply since the spring of 1951. Britain will attempt to further expand her exports to earn dollars in 1952, but this may be impeded by the British defense program. Materials that could be readily exported will be required for defense purposes. In other countries of Europe, also, the military program is expected to receive much greater emphasis in the year ahead.

Exports of unmanufactured tobacco from the United States in 1951 totaled 521 million pounds valued at 323 million dollars. The volume was 9 percent greater and its aggregate value, 29 percent higher than in 1950. Although the 1951 volume of tobacco exports has been exceeded several times in the past, the value was exceeded only by the 1946 total of 352 million dollars. Tobacco shipments in 1951 contained higher-priced tobacco than in 1950 and also a larger share went to foreign outlets that usually take higher-priced grades. Prices of numerous grades in the various kinds of tobacco have shown significant advances in the last two or three marketing seasons. The 1951 average value per pound for exports of all types combined was near 62 cents compared with 52 cents in 1950. This is the highest average value per pound on record--the previous high was 53 1/2 cents for 1947 exports.

Flue-cured tobacco composed 83 percent of the total unmanufactured tobacco exports and the Kentucky-Tennessee fire-cured and Burley ranked second and third, accounting for about 6 and 5 percent, respectively. Flue-cured tobacco exports in 1950 were 80 percent of the total and the prewar average is 74 percent. In 1951, 51 percent of the flue-cured went to the United Kingdom while in 1950, only 34 percent went there. In 1934-38 Britain got 64 percent of the total flue-cured exports from this country.

The United States foreign aid program is now being directed mainly toward military preparedness in the various countries concerned. Some economic aid also will be given but on a much smaller scale than under the Economic Cooperation Administration. The Congress appropriated 7.3 billion dollars for assistance to friendly foreign nations. Of this, 4.8 billion dollars are for military and 1 billion for economic aid to Europe. The remainder 1.5 billion dollars are for other parts of the world. That part of these funds which is used in Europe to produce military equipment and expand capacity will assist in reducing foreign exchange shortages in that area. In the past year, notable improvements have occurred in the economic position of some countries usually importing significant quantities of United States tobacco. With adequate supplies of United States tobacco now available and in prospect and with prices stabilized, these countries may be expected to buy considerable quantities in 1952.

Table 3.- United States exports of unmanufactured tobacco, to principal importing countries, by types, for specified periods
(Declared weight)

Country and type	Average 1934-38	1950 1/	1951 1/	July-December Average 1934-38	July-December 1950 1/	July-December 1951 1/	1951 as percentage of 1950
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Flue-cured	324.9	383.9	432.7	216.6	260.0	315.6	121
Burley	11.6	37.6	25.2	5.5	19.9	11.9	60
Maryland	5.5	6.7	8.0	2.2	3.1	3.1	100
Va. fire-cured	9.7	5.8	4.5	4.7	3.1	2.6	84
Ky. & Tenn. "	53.7	24.0	29.2	19.4	12.2	9.5	78
One Sucker	.7	2.0	3.6	.5	1.0	2.4	240
Green River	3.0	1.2	1.9	.9	.8	.3	38
Black Fat, etc.	9.0	3.6	4.9	4.6	2.1	3.0	143
Cigar	1.3	7.3	6.9	.8	4.1	3.9	95
Perique	.1	.1	.1	2/	.1	.1	100
Stems, trimmings, and scrap	17.8	5.4	4.0	9.5	4.4	2.1	48
Total	437.3	477.6	521.0	264.7	310.8	354.5	114
Country of destination							
United Kingdom	213.9	133.1	222.5	159.9	128.8	201.1	156
France	21.0	8.5	10.0	1.4	4.2	2.4	57
Belgium	15.5	27.7	29.6	8.4	15.6	17.7	113
Netherlands	15.6	32.2	24.3	8.3	13.6	8.2	60
Germany	12.6	81.8	47.7	6.7	52.3	25.2	48
Portugal	4.8	7.5	6.0	2.3	2.7	2.7	100
Denmark	4.6	14.8	9.1	2.9	7.4	5.4	73
Ireland	7.4	17.6	17.6	4.8	12.8	11.8	92
Switzerland	3.8	14.4	12.4	2.0	8.5	5.4	64
Norway	4.7	7.7	6.6	2.9	4.7	3.9	83
Sweden	7.2	13.7	15.0	5.1	10.4	10.5	101
Italy	1.1	2.6	2.2	.6	.3	2/	---
China	48.2	.3	.0	22.9	.2	.0	---
Australia	18.4	18.1	20.3	8.8	10.6	12.2	115
India-Pakistan	2.6	5.5	6.1	1.5	3.3	2.2	67
New Zealand	2.5	6.5	7.1	1.5	3.2	4.0	125
Philippine Rep.	1.2	27.1	9.5	.6	1.9	5.8	305
Other countries	52.2	58.5	75.0	24.1	30.3	36.0	119
Total	437.3	477.6	521.0	264.7	310.8	354.5	114

1/ Preliminary. 2/ Less than 50,000 pounds.

Bureau of Agricultural Economics. Compiled from publications and records of the United States Department of Commerce.

Table 4.- United States exports of unmanufactured tobacco, by types, to specified countries, average 1934-38, annual 1949-51 1/

(Declared weight)

Country and year	Flue-cured	Burley	Maryland	Fire-cured: Virginia	Fire-cured: Kentucky-Tennessee	One Sucker	Green River	Black Fat	Cigar leaf	Stems, trimmings, and scrap	Total 2/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom											
Av. 1934-38	207.0	0.2	3/	1.6	2.8	3/	1.8	3/	0.1	0.2	213.9
1949	163.8	.8	0.1	.7	1.2	0.0	.6	0.0	.1	.0	167.3
1950	130.5	.2	.0	.5	1.1	.1	.6	.0	3/	3/	133.1
1951	219.7	.3	.0	.6	1.4	.0	.5	.0	3/	.0	222.5
France											
Av. 1934-38	1.3	.2	.6	3/	18.8	.0	.0	3/	3/	.0	21.0
1949	1.1	.0	.2	.0	10.5	3.0	1.1	.0	3/	.0	15.8
1950	3.3	.4	3/	.0	4.7	.0	.0	.0	3/	.0	8.5
1951	1.9	.6	1.0	.0	6.4	.0	.0	.0	.0	.0	10.0
Belgium											
Av. 1934-38	3.8	3.1	.5	.5	5.8	.4	.8	.1	.1	.3	15.5
1949	11.1	4.2	.2	.3	1.5	.2	.3	.0	.6	3/	18.4
1950	19.2	5.0	.3	.1	1.9	.4	.3	.0	.6	3/	27.7
1951	21.6	2.5	.2	.1	3.4	.5	.2	.0	.8	.1	29.6
Netherlands											
Av. 1934-38	7.4	1.1	2.0	.6	4.4	.0	3/	3/	.1	3/	15.6
1949	24.6	2.4	.1	.3	3.7	.4	.6	3/	1.0	.8	33.8
1950	23.4	3.5	.4	.4	3.6	3/	.0	.0	.5	.2	32.2
1951	16.4	1.3	.4	.1	4.7	.2	3/	.0	.7	.5	24.3
Germany											
Av. 1934-38	4.1	.5	.2	1.2	3.8	3/	3/	.2	.3	2.2	12.6
1949	58.1	10.9	.4	.5	2.5	.3	.2	.0	14.0	.2	87.1
1950	64.4	11.6	.4	.3	.8	.1	.0	.0	3.7	.5	81.8
1951	38.0	5.4	.1	.2	.7	3/	.0	.0	3.1	.2	47.7
Portugal											
Av. 1934-38	.7	2.5	3/	.4	1.1	.0	.0	3/	.0	.0	4.8
1949	3.8	6.7	3/	3/	.4	.0	.0	.0	.1	.0	11.1
1950	1.8	3.8	.0	.0	.4	.0	.0	3/	.0	.0	6.1
1951	1.4	4.1	.0	.1	.4	.0	.0	.0	3/	.0	6.0
Denmark											
Av. 1934-38	2.2	.8	.1	.2	1.0	3/	3/	3/	3/	.2	4.6
1949	8.1	1.6	3/	.1	.4	.0	.0	.0	1.1	.2	11.6
1950	10.6	1.8	.1	.4	.9	.0	.0	.0	.4	.6	14.8
1951	6.4	1.4	3/	3/	.4	.0	.0	.0	.7	.2	9.1
Ireland											
Av. 1934-38	6.2	3/	3/	.2	.9	3/	.1	.0	.0	.0	7.4
1949	24.5	3/	.0	3/	.7	.0	.1	.0	.0	.0	25.3
1950	17.1	3/	3/	3/	.4	.0	.0	.0	3/	.0	17.6
1951	16.9	.0	.0	3/	.7	.0	.0	.0	.0	.0	17.6
Switzerland											
Av. 1934-38	.1	.1	1.4	.1	1.9	3/	.0	3/	.0	3/	3.8
1949	3.1	.5	5.6	.2	1.1	3/	3/	.0	.1	.0	10.7
1950	5.5	.6	5.0	.3	2.7	.0	.0	.0	.1	.1	14.4
1951	4.6	.7	4.5	.5	2.0	.0	.0	.0	3/	.1	12.4
Norway											
Av. 1934-38	1.9	.3	3/	1.8	.8	3/	3/	3/	3/	3/	4.7
1949	4.4	1.1	3/	1.3	.3	3/	.0	.0	.1	.1	7.4
1950	3.6	1.3	3/	2.0	.6	3/	.0	.0	3/	.2	7.7
1951	3.8	.9	.0	1.6	.2	3/	3/	.0	3/	.1	6.6
Sweden											
Av. 1934-38	2.7	.5	3/	1.0	2.0	.0	3/	.0	3/	1.0	7.2
1949	1.6	1.3	.0	3/	1.7	.0	.0	.0	.1	1.2	5.8
1950	6.3	2.9	.0	.6	2.5	.0	3/	.0	3/	1.3	13.7
1951	11.9	1.5	.0	.0	.5	.0	.0	.0	.1	1.0	15.0
China											
Av. 1934-38	36.6	.1	3/	3/	3/	.0	.0	.0	.0	11.5	48.2
1949	1.3	.0	.0	.0	.0	.0	.0	.0	3/	1.8	3.1
1950	.1	.0	.0	.0	.0	.0	.0	.0	.0	.2	.3
1951	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
Australia											
Av. 1934-38	17.5	.6	3/	.3	3/	.0	.0	3/	3/	.0	18.4
1949	19.3	.2	.0	.2	.0	.0	.0	.0	3/	.0	19.6
1950	17.6	.2	3/	.3	.0	.0	.0	.0	3/	.0	18.1
1951	20.1	.1	.0	.1	.0	.0	.0	.0	3/	.0	20.3
India and Pakistan											
Av. 1934-38	2.6	3/	.0	3/	3/	.0	.0	3/	.0	.0	2.6
1949	7.2	.0	.0	3/	.0	.0	.0	.0	3/	.0	7.2
1950	5.5	.0	.0	3/	.0	.0	.0	.0	.0	.0	5.5
1951	6.1	.0	.0	3/	.0	.0	.0	.0	.0	.0	6.1
New Zealand											
Av. 1934-38	2.3	3/	.0	.3	3/	.0	.0	.0	3/	.0	2.5
1949	5.7	.0	.0	.4	.1	.0	.0	.0	3/	.0	6.2
1950	6.2	.0	.0	.2	.1	.0	.0	.0	.0	.0	6.5
1951	6.6	.0	.0	.4	.1	.0	.0	.0	3/	.0	7.1
Total above countries											
Av. 1934-38	296.4	10.0	4.8	8.2	43.3	.4	2.7	.3	.6	15.4	382.8
1949	337.7	29.7	6.6	4.0	24.1	3.9	2.9	.0	17.2	4.3	430.4
1950	315.1	31.3	6.2	5.1	19.7	.6	.9	.0	5.3	3.1	388.0
1951	375.5	18.9	6.2	3.7	20.9	.7	.7	.0	5.4	2.2	434.3
Total all countries											
Av. 1934-38	324.9	11.6	5.5	9.7	53.7	.7	3.0	9.0	1.3	17.5	437.3
1949	379.9	35.1	7.9	4.6	28.5	6.6	3.2	4.8	22.4	5.1	498.2
1950	4/ 382.6	37.5	6.7	5.7	24.0	2.0	1.2	3.6	7.3	5.4	476.1
1951	432.7	25.2	8.0	4.5	29.2	5/ 3.6	5/ 1.9	5/ 4.9	6.9	4.0	521.0

1/ Preliminary. 2/ Detailed figures may not add to totals due to rounding. 3/ Less than 50,000 pounds. 4/ An unusually large quantity (25 million pounds) of flue-cured was exported to the Philippines in 1950. 5/ Other major destinations in 1951: One Sucker--1.2 million pounds each to Nigeria and Spain; Green River--.9 million pounds to Spain; Black Fat--1.7 million pounds to Nigeria, 1.3 to French West Africa, and 1.2 to Gold Coast.

Bureau of Agricultural Economics. Compiled from publications and records of the United Stetes Department of Commerce.

From the countries of western Europe and in the Pacific area, the United States imports steel mill products, coal tar products, industrial chemicals, fertilizers, industrial and uncut diamonds, industrial machinery, wool manufactures, beverages, paper base stocks, clocks and watches, tin, synthetic fibers, unmanufactured wool, and rubber; and there are numerous others of less importance which, when combined, add to a significant total. If these imports are maintained or expanded, it will aid these countries to get the dollar exchange necessary to buy commodities produced in this country. United States tobacco is preferred by consumers in many countries of the world.

British Tobacco Situation

The 1951 consumption of tobacco in the United Kingdom is estimated at 221 million pounds (dry weight) compared with 214 million in 1950. The 1951 figure is 16 percent greater than in 1938 (the last full year prior to World War II) but 12 percent lower than the record of 1946. Prior to World War II, 23 percent of the tobacco consumed in Britain was of Commonwealth origin. Following the war, this percentage rose to 38 percent by 1950 and in 1951, was close to 41 percent. The entire increase in tobacco consumption from 1950 to 1951 is attributable to the larger use of Commonwealth tobacco since British home consumption of non-Commonwealth tobacco was indicated to be slightly lower than in 1950. United States tobacco accounts for the preponderant share of non-Commonwealth tobacco. Although Britain will cut her tobacco imports from the United States in 1952, an effort will be made to maintain supplies for consumers--mostly by rearrangement of stocks.

In addition to her own needs, Britain's total tobacco requirements include a substantial quantity to be manufactured for export. The 1951 exports of manufactured tobacco from Britain totaled 51.4 million pounds compared with 43.5 million pounds in 1950. The 1951 exports were the third highest on record, having been exceeded in 1946 and 1947. About 95 percent of the 1951 exports were cigarettes. The principal outlets were Singapore, Malaya, Australia, Belgian Congo, Hong Kong, Germany, and Gold Coast, all of which took larger quantities in 1951 than in 1950. Also in 1951, United Kingdom re-exported 7 million pounds of unmanufactured tobacco--considerably more than the 4.4 million in 1950.

On November 30, tobacco stocks in the United Kingdom totaled 491 million pounds, 15 percent above the 427 million a year earlier and the highest since the early months of World War II. However, the ratio of November 1951 stocks to gross withdrawals in 1951 was about 1.7 compared with the average prewar ratio of 2.1.

Britain imported 355 million pounds of tobacco in calendar year 1951--49 million more than in 1950 and more than in any previous year except 1945 and 1946. The rise in her tobacco imports from 1950 to 1951 was due to the substantial increase in leaf coming from the United States. The larger quantity purchased from the United States was to rebuild stocks. The 1951 tobacco imports from the United States at 212 million pounds were 47 percent greater than in 1950 and comprised three-fifths of Britain's total tobacco imports. British tobacco imports from Southern Rhodesia, India, Nyasaland, and Turkey fell 18, 16, 7, and 70 percent, respectively,

while those from Canada went up by 37 percent. (See table 5.) In 1952 British imports of tobacco from the United States probably will be reduced while those from Southern Rhodesia are expected to be larger. The announced cut in purchases from the United States was made necessary by the deterioration in the gold and dollar position of Britain. At the 1951 auctions in Southern Rhodesia, the United Kingdom purchasers took only 48 million pounds or 54 percent of the total; but in 1952, if reported plans are carried out, British purchasers would seek to buy 75 million pounds or in case of a short crop, as much as practicable.

The value (exclusive of duty) of United States tobacco imported into the United Kingdom from July through December averaged 58.6 pence per pound compared with 52.2 pence per pound for flue-cured from Commonwealth countries. The average value per pound of flue-cured from the United States was only slightly higher than that from Southern Rhodesia, but probably over one-third higher than that from India, and nearly one-eighth higher than that from Canada. In the July-December period, about 54 percent of the flue-cured originating in Commonwealth countries was from Southern Rhodesia and approximately 32 percent and 8 percent came from India and Canada, respectively. Practically all United States and Canadian flue-cured and around 85 percent of the Southern Rhodesian flue-cured was imported on an unstemmed basis but nearly 80 percent of the Indian tobacco came in stripped (stem removed), and thus contained more usable tobacco per pound.

Table 5.- United Kingdom: Imports of unmanufactured tobacco by principal sources for specified periods

Period	Total imports	United States	Commonwealth countries					Turkey	Greece
			India	Southern Rhodesia	Nyasaland	Canada	Total 1/		
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average:									
1925-29	213.3	175.7	9.5	5.4	10.6	4.7	32.9	.7	1.0
1930-34	211.2	165.8	10.9	9.2	12.4	8.6	42.8	.2	.3
1935-39	269.2	200.8	19.6	15.7	12.4	14.3	63.6	.6	.6
1940-44	240.8	168.0	17.8	20.3	13.3	7.9	61.5	3.3	1.2
1945	368.8	309.8	10.1	20.6	11.6	12.1	56.0	2.4	.0
1946	432.7	365.8	17.6	23.0	10.9	9.2	62.3	3.1	.6
1947	295.6	201.2	22.9	23.0	11.9	22.2	82.1	.4	10.5
1948	280.8	172.4	22.8	43.9	14.1	12.7	97.3	10.2	.1
1949 2/	301.1	154.1	38.3	46.5	17.8	13.0	119.0	20.0	5.9
1950 2/	305.8	143.7	48.1	61.1	17.4	15.8	146.4	10.8	1.0
1951 2/	355.1	211.9	40.4	50.4	16.1	21.7	131.6	3.2	1.3

1/ Includes all Commonwealth countries. 2/ Preliminary.

Bureau of Agricultural Economics. Compiled from Annual Statement of Trade of the United Kingdom, 1925-48; and Accounts Relating to Trade and Navigation, 1949-51.

UNITED STATES IMPORTS OF FOREIGN GROWN TOBACCO 2/

In 1951 tobacco imports for consumption totaled almost 105 million pounds valued at 85 million dollars compared with 90 million pounds valued at 76 million dollars during 1950. Volume of tobacco imports in 1951 exceeded any previous year's total and the value was exceeded only in 1946 and 1947.

The major increase in tobacco imports was in cigarette leaf which accounted for about 78 percent of the total. Turkey was by far the largest supplier, providing 65 percent of cigarette leaf imports into the United States. Greece ranked second, accounting for 15 percent. Imports from

Table 6.- United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)

Classification and country of origin	Average 1934-38	1950 1/	1951 1/	Average 1934-38	July-December 1950 1/	July-December 1951 1/	1951 as percentage of 1950
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Total imports 2/	66.3	90.0	104.7	33.5	45.3	56.0	124
Cigarette leaf							
Unstemmed	44.4	67.6	81.3	22.6	34.0	43.9	129
Turkey	18.2	48.3	53.0	9.7	24.2	26.3	109
Greece	18.8	9.6	12.4	9.2	4.9	6.6	135
Syria	.6	3.7	4.0	.3	2.0	2.2	110
Bulgaria	.6	1.2	3.0	.3	.5	2.7	540
U.S.S.R.	.1	2.4	4.7	.1	1.4	3.2	229
So. Rhodesia	3/	1.3	.6	.0	.6	.3	50
Yugoslavia	.0	.3	.3	.0	.1	.2	200
Cigar leaf (filler)	11.3	15.5	15.8	5.9	8.2	8.3	101
Cuba	11.2	15.2	15.0	5.9	8.1	7.6	94
Stemmed	7.1	11.3	10.9	3.8	5.9	5.5	93
Unstemmed	4.1	3.9	4.1	2.1	2.2	2.1	95
Scrap	6.2	5.3	6.1	2.6	2.4	3.0	125
Cuba	2.9	5.1	6.0	1.4	2.4	3.0	125
Philippines	3.2	.2	.0	1.2	.0	.0	0
Cigar wrapper	2.1	1.1	1.2	1.2	.6	.5	83
Indonesia	4/ 1.9	.8	.9	1.1	3/	.4	---
Cuba	.2	.3	.3	.1	3/	.1	---
Total from Cuba	14.3	20.7	21.3	7.4	10.5	10.7	102

1/ Preliminary. 2/ Includes tobacco stems, not cut, ground, or pulverized, not shown separately. 3/ Less than 50,000 pounds. 4/ Formerly shown as originating in Netherlands Indies or Netherlands.

Bureau of Agricultural Economics. Compiled from publications and records of the United States Department of Commerce.

2/ Imports of tobacco for consumption are on a declared-weight basis.

these two countries and also Russia, Syria, and Bulgaria were larger in 1951 than in 1950. The reduction in import duty on cigarette leaf from 20 cents to 15 cents per pound (based on the negotiations at Torquay in 1950-51) became effective in October 1951.

The other major category of United States tobacco imports is cigar leaf--mostly filler. Cuba if the main supplier of both cigar filler and scrap tobacco. Imports of unstemmed filler from Cuba were a little larger but less stemmed filler was entered than in 1950. Nearly 0.8 million pounds of cigar filler came in from the Philippines in 1951. More Cuban scrap tobacco was imported in 1951 than in 1950. The total of all import classes combined coming from Cuba increased about 3 percent from 1950 to 1951.

The imports of cigar wrapper from Indonesia were the largest for any year since the war except 1947, although still well below the 1934-38 average.

FLUE-CURED, TYPES 11-14

1951 Prices Average 52 Cents Per Pound

Although prices for many medium and better grades in the 1951 marketing season exceeded those in 1950, the general average for auction sales at 52.2 cents per pound was 5 percent lower. This was due to the larger proportion of tobacco in the lower-priced grades than in the 1950 season, when the crop was of generally high quality. The strong domestic and foreign demand held the season average above the 1951 support level of 50.7 cents which was nearly 13 percent above the 1950 support. In the 1951 season, growers placed about 142 million pounds, or a little less than 10 percent of the crop, under loan compared with about 78 million pounds or 6 percent of the crop in the 1950 season.

Gross income to growers from their 1951 flue-cured crop is estimated at 749 million dollars--9 percent more than in 1950. The 1951 crop was the largest ever produced and the increase in volume more than offset the small decline in average price--thus raising cash receipts above the previous record in 1950.

In the Georgia-Florida Belt (type 14), the Border Belt (type 13), and the Eastern North Carolina Belt (type 12), volume of marketings and value of sales exceeded those of any previous year. For type 14 the average price was the third highest on record, and for types 13 and 12, the second highest price on record. In the Middle Belt (type 11(b), the volume was the second largest for any year while the value of sales exceeded any previous year's. In the Old Belt (type 11(a), the volume was the third largest on record and the value exceeded that of any previous year except 1950. For each type, 11(a) and 11(b), the average price was the third highest on record.

Table 7.- Average prices for gross sales (includes resales) by belt, 1947-51

Crop year	Old Belt type 11(a)	Middle Belt type 11(b)	Eastern N. C. type 12	Border Belt type 13	Ga.-Fla. type 14
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
1947	38.1	42.2	43.0	41.9	37.8
1948	49.2	50.1	49.3	50.5	47.2
1949	45.5	47.7	48.8	48.9	40.1
1950	53.4	56.2	56.5	55.4	48.1
1951 1/	50.5	53.8	55.0	51.8	46.2

1/ Preliminary.

The proportions of tobacco in each belt that went under Government loan were about as follows: Type 14, 10 percent; type 13, 11 percent; type 12, 6 percent; type 11(b), 9 percent; and type 11(a), 15 1/2 percent.

The 1952 crop of flue-cured will be supported at 90 percent of parity. By mid-1952, parity for flue-cured seems likely to be about the same as or slightly higher than in mid-1951. If so, the 1952 support level will be near the 50.7 cent level for the 1951 crop.

Table 8.- Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-51

(Farm-sales weight)

Year	Production	Stocks July 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic 2/	Exports 2/	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Av. 1934-38	741	845	1,586	704	338	366	22.9
1939	1,171	946	2,117	707	417	290	14.9
1940	760	1,410	2,170	577	421	156	16.4
1941	650	1,593	2,243	783	492	291	28.1
1942	812	1,460	2,272	893	604	289	38.4
1943	790	1,379	2,169	980	625	355	40.2
1944	1,087	1,189	2,276	1,150	696	454	42.4
1945	1,173	1,126	2,299	1,152	665	487	43.6
1946	1,352	1,147	2,499	1,212	660	552	48.3
1947	1,317	1,287	2,604	1,054	695	359	41.2
1948	1,090	1,550	2,640	1,102	715	387	49.6
1949	1,115	1,538	2,653	1,168	722	446	47.2
1950 2/	1,257	1,485	2,742	1,184	751	433	54.7
1951 2/	1,434	1,557	2,991				3/ 52.2

1/ Year beginning July 1. 2/ Subject to revision. 3/ Auction market average.

Supplies

The record crop of 1,434 million pounds in 1951 plus a carry-over on last July 1 of 1,557 million pounds provided a total supply of 2,991 million pounds for 1951-52--9 percent above 1950-51. The 1951 crop exceeded the 1950 crop by 14 percent. Total flue-cured acreage harvested increased nearly 16 percent and for types 12-14, yields per acre were also higher. However, in the Old and Middle Belts, type 11, yields per acre were down 11 percent, and this brought the average yield for flue-cured as a whole, 1 to 2 percent below the 1950 average.

The 1952 marketing quota for flue-cured proclaimed last November results in 1952 acreage allotments totaling 1,130,000 compared with 1,119,000 in 1951. If harvested acreage in 1952 is near the total allotted and yields per acre approximate the recent 5-year average (1947-51), the 1952 production would be about 1,380 million pounds. If yields per acre equal the recent 3-year average (1949-51), production would approach 1,420 million pounds. Carry-over next July seems likely to be between 1,700 and 1,750 million pounds, and total supplies for 1952-53 may exceed 3,100 million pounds. This level would be above that of any previous year, but the relationship to total domestic use plus exports would not be greatly changed. The 1951-52 total supply is 2.4 times estimated disappearance and the 1952-53 total supply may be about 2.5 times prospective disappearance.

The stocks of flue-cured tobacco remaining under Government loan on February 1 totaled 210 million pounds (equivalent farm-sales weight). About 67 percent of this was 1951 crop tobacco; 24 percent, 1950 crop tobacco; and the remaining 9 percent, 1948 and 1949 crop tobacco.

Domestic Use and Exports

During the current marketing year (July 1951-June 1952), the domestic use of flue-cured is expected to top the 751 million pounds of 1950-51. In the first half of 1951-52, domestic cigarette manufacture--the most important outlet--was running 6 percent ahead of that in the same period of a year earlier. Exports probably will exceed the 1950-51 total of 433 million pounds (farm-sales weight) by as much as 10 percent. If exports are that large, they would exceed those of any previous year except 1946-47 when they reached 552 million pounds (farm-sales weight). The average declared value per pound of flue-cured exports in July-December 1951 was 12 percent higher than in the same period a year earlier while the quantity was 21 percent higher.

During July-December 1951, the United Kingdom (accounting for over three-fifths of the total flue-cured exports) took 56 percent more than in July-December 1950. The next ranking outlet was Germany, but the quantity going there was less than one-half as large as that in July-December 1950. Belgium ranked third and got about two-fifths more than in the last half of 1950. In July-December 1951 compared with the same months of 1950, a considerably smaller quantity of flue-cured was shipped to the Netherlands and a little less to Ireland but substantially more went to Sweden. Other countries getting greater quantities in the more recent period include Australia, New Zealand, Hong Kong, Finland, Philippine Republic, Egypt, Parkistan, Ceylon, Siam, Indonesia, and Taiwan.

Among the countries taking smaller quantities of flue-cured in July-December 1951 than in July-December 1950 were Norway, Denmark, Portugal, Switzerland, France, Austria, India, and French Indochina.

Domestic demand for the 1952 crop is again likely to be strong. Also, exports are expected to be relatively large in 1952-53 but not as large as in the current year. The British Government has announced a substantial cut in tobacco imports from the dollar area. If this occurs, there will be a further cut than originally planned from the relatively high 1951-52 figure which enabled purchases large enough to permit some build-up of stocks of United States tobacco. The dollar position of some other countries usually taking major quantities of tobacco from the United States deteriorated in the last half of 1951, but several other countries improved their foreign exchange position. Also, funds appropriated by the United States that are spent abroad for plant expansion and military supplies will reduce foreign exchange shortages.

BURLEY, TYPE 31

Burley Prices Average Above Any Previous Season's

Burley auction markets began November 27, the earliest on record, and by early February, practically all of the 1951 crop had been sold. Auction prices averaged about 51 cents per pound--4 1/2 percent higher than the record average for the 1950 crop. There was an improvement in the quality of offerings from several areas compared with the previous season. Demand was fairly strong throughout most of the season, although easing by late January. About 64 percent of the crop was sold before the December 21 closings for the holidays--compared with 57 percent in the 1950-51 season. The volume of pre-holiday sales was above that of any previous season.

The 1951 support price was 49.8 cents per pound--4.1 cents higher than the support for the 1950 crop. The support level was based on 90 percent of the Burley parity as of October 1, 1951, the beginning of the marketing year. Growers placed approximately 97 million pounds--about 16 percent of deliveries--under Government loan. The quantity placed under loan from the smaller 1950 crop was 44 million pounds, 9 percent of that crop.

The price support level for the 1952 crop is expected to be approximately the same as or slightly higher than it was for the 1951 crop. This will depend on the level of the parity index (prices paid by farmers, interest, taxes, and wage rates) next fall. The index is used to calculate the parity price, and the support level will be 90 percent of the parity.

Supplies Larger Than a Year Ago

Total supplies of Burley for 1951-52 (based on October 1 stocks and estimated producers' marketings) approximate 1,585 million pounds--6 percent larger than in 1950-51. The 1951 harvested acreage was 12 percent above that of 1950, and the yields per acre averaged the second highest in history. The increase over the 1950 crop much more than offset

the decline in carry-over from the previous year. The October 1, 1951, stocks at 981 million pounds were 2 percent lower than the record carry-over on October 1, 1950.

The 1952 marketing quota for Burley, proclaimed in late November 1951, results in 1952 acreage allotments totaling 475,000 as compared with 472,000 in 1951. If about the same proportion of the total allotted acres is harvested as in 1951 and yields per acre are close to the 1947-51 average, total production this year will approximate 580 million pounds. Carry-over next October may be as much as 1,050 million pounds; and total supplies for 1952-53, very probably will exceed 1,600 million pounds. Such a supply would be above that for any previous year, but the supply-disappearance ratio would be little changed from that in 1951-52. Total supply in 1951-52 is 3.0 times prospective disappearance, while for each of the preceding two years, this ratio was near 2.9.

The stocks of Burley tobacco in Government loan stocks on February 1 totaled about 152 million pounds (equivalent farm-sales weight). About 64 percent of this was 1951 crop tobacco; 28 percent, 1950 crop tobacco; and the remaining 8 percent, from the 1948 and 1949 crops.

Table 9.- Burley tobacco, type 31: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-51

(Farm-sales weight)

Year	Production	Stocks Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic 2/	Exports 2/	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Av. 1934-38	287	701	988	314	302	12	22.2
1939	395	684	1,079	317	305	12	17.3
1940	377	762	1,139	341	335	6	16.2
1941	337	798	1,135	380	374	6	29.2
1942	344	755	1,099	413	407	6	41.8
1943	392	686	1,078	427	418	9	45.6
1944	591	651	1,242	483	474	9	44.0
1945	577	759	1,336	483	448	35	39.4
1946	614	853	1,467	526	476	50	39.7
1947	485	941	1,426	524	496	28	48.5
1948	603	902	1,505	531	489	42	46.0
1949	560	974	1,534	534	493	41	45.2
1950 2/	499	1,000	1,499	518	488	30	49.0
1951 2/	3/ 605	981	1,586				4/ 51.0

1/ Year beginning October 1. 2/ Subject to revision. 3/ Estimated producers' sales. 4/ Auction market average.

Domestic Use and Exports

During the marketing year ending September 30, 1951, domestic use of Burley was 488 million pounds--slightly less than in 1949-50. The major outlet for Burley is in cigarettes, and their output during 1950-51 was

4 percent larger than in the preceding year. However, smoking tobacco manufacture went down 3 1/2 percent from 1949-50 to 1950-51 and chewing tobacco manufacture was 2 percent smaller. The 1951-52 domestic use of Burley is expected to be larger than in 1950-51 inasmuch as cigarette output is likely to reach a new high.

Exports of Burley during the 1950-51 marketing year totaled only 30 million pounds (farm-sales weight)--a relatively sharp drop from the 41 million pounds in 1949-50 A little over one-fifth of the 1950-51 Burley exports went to Germany, but German takings were only one-half as large as in 1949-50. Portugal, the next ranking outlet (about one-eighth of the total), got 25 percent less and Belgium, in third place, got 58 percent less than in 1949-50. Also, smaller shipments went to Netherlands, Denmark, Austria, the United Kingdom, and Egypt. Among the countries which took larger quantities in 1950-51 than in 1949-50 were Sweden, Norway, Switzerland, France, Italy, Spain, Philippine Republic, Finland, and Mexico.

During October-December 1951 (first quarter of the 1951-52 marketing year), exports of Burley totaled 8 million pounds (farm-sales weight) compared with 9 million pounds in the same period a year earlier. Principal destinations in the recent period were Sweden, Germany, Belgium, Portugal, and Norway.

MARYLAND, TYPE 32

Prices

Maryland tobacco auction markets usually open before mid-May and the great bulk of the sales are from the crop produced in the preceding year. Mainly 1950 crop tobacco went to auctions from May 8 through August 17, 1951, and prices averaged 47.8 cents per pound--practically the same as in the preceding season. The support level last season was 48.6 cents per pound, but the larger than usual proportion of lower quality tobacco pulled the general average price received by growers a little lower than the support level. About 5 1/2 million pounds--nearly one-sixth of net auction sales--were placed under Government loan by growers.

In a referendum held in late 1950, Maryland growers disapproved a marketing quota on their 1951 crop, and in accordance with the law, prices will not be supported when the 1951 crop goes to auction in the coming season. The quality of the 1951 crop is reportedly better than that sold last season. However, total supplies are relatively large (3 times average disappearance) and the prices received by grades are not expected to average above last season. The parity level for Maryland tobacco as of January 1952 was 59.1 cents per pound.

A marketing quota on the 1952 crop of Maryland tobacco was disapproved in a referendum last December--and, therefore, when the 1952 crop is marketed in the spring and summer of 1953, a Government price support program cannot be made available. If quotas were in effect on Maryland tobacco, price support at 90 percent of parity would be mandatory.

Supplies

The estimated 1951 crop of Maryland tobacco is 42.9 million pounds--7 percent larger than in 1950 and was previously exceeded only by the 1946 crop, which topped 46 million pounds. The 1951 harvested acreage was above

that of any previous year. Average yields per acre in 1951 were up about 3 percent from those in 1950. The October 1, 1951, carry-over at 64.3 million pounds was 7 1/2 percent above that of a year earlier and the highest on record. Production, plus carry-over, gives a total 1951-52 supply of 107.2 million pounds compared with 99.8 million pounds for the preceding year.

Even with some moderate increase in total disappearance during October 1951-September 1952, carry-over next October 1 will show a further increase of 4 or 5 million pounds, and it seems likely that the total 1952-53 supply (assuming an average 1952 crop) will be at a new peak.

As of February 1, the Maryland tobacco remaining in Government loan stocks was 8 million pounds. About 66 percent of this was 1950 crop tobacco; 13 percent, 1949 crop; and 21 percent, 1948 crop.

Table 10.- Maryland tobacco, type 32: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-51

(Farm-sales weight)

Year	Production	Stocks Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic 2/	Exports 2/	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Av. 1934-38	27.5	41.3	68.8	26.5	21.1	5.4	19.7
1939	32.8	41.4	74.2	26.5	22.6	3.9	21.1
1940	32.6	47.7	80.3	28.5	25.9	2.6	33.0
1941	31.2	51.8	83.0	27.2	26.1	1.1	30.1
1942	28.1	55.8	83.9	34.4	32.2	2.2	56.5
1943	20.8	49.5	70.3	25.1	23.8	1.3	45.3
1944	38.2	45.2	83.4	31.2	28.8	2.4	55.5
1945	18.4	52.2	70.6	30.3	24.2	6.1	57.0
1946	46.2	40.3	86.5	34.0	28.3	5.7	44.5
1947	37.8	52.5	90.3	34.3	27.0	7.3	42.8
1948	35.0	56.0	91.0	37.0	27.7	9.3	54.4
1949	41.2	54.0	95.2	35.4	28.0	7.4	48.3
1950 2/	40.0	59.8	99.8	35.5	27.1	8.4	48.3
1951 2/	42.9	64.3	107.2				

1/ Year beginning October 1. 2/ Subject to revision.

Domestic Use and Exports

Domestic use of Maryland tobacco (largely in cigarettes) during the marketing year ending last September 30, totaled 27.0 million pounds--a drop of about 1 million pounds from a year earlier. In contrast, cigarette manufacture increased 4 percent, comparing the same 2 periods.

Exports during October 1950-September 1951 totaled about 8.4 million pounds (farm-sales weight), an increase of about 1 million pounds from the preceding year, so that total disappearance in each of the last 2 years has been approximately equal.

Except for 1948-49, exports in 1951-52 were the largest for any marketing year since 1933. Switzerland accounted for almost three-fifths of the total, even though taking about 7 percent less than in 1950-51. France, the second ranking outlet, took over 4 1/2 times as much in 1950-51 as in 1949-50. Shipments to French Morocco more than doubled and those to Tunisia also increased. Also, Netherlands, Germany, and Denmark got more; but less went to Belgium, the Philippine Republic, and Algeria; and none went to the United Kingdom.

In October-December 1951 (first quarter of the 1951-52 marketing year), Maryland tobacco exports totaled 1.7 million pounds (farm-sales weight)--6 percent smaller than in October-December 1950. Shipments to Switzerland and Germany were lower but a substantially larger quantity was shipped to Tunisia.

FIRE-CURED, TYPES 21-23

Record Prices for 1951 Crop

Auctions for Virginia fire-cured (type 21) began in late November and for Kentucky-Tennessee fire-cured (types 22-23), on January 7. The demand for the fire-cured types 22-23 has been generally favorable. The sales season for the Virginia fire-cured has closed and prices averaged 39.2 cents per pound--about 3 cents more than the previous high received for the 1950 crop. For the season through late February, auction prices of type 22 (Eastern District--Kentucky-Tennessee) averaged 41 cents per pound and for type 23 (Western District--mostly Kentucky), nearly 35 cents per pound. These price averages exceeded last season's averages by about 9 or 10 cents per pound and were higher than in any previous season. The substantial improvement in the quality of the crop as a whole accounted for much of the price rise from a year ago. The 1950 crop of fire-cured in Kentucky-Tennessee was one of the poorest ever produced due to particularly adverse weather conditions.

The 1951 crop price support is 37.4 cents per pound--3.1 cents higher than last season. The price support for fire-cured tobacco is computed at 75 percent of the Burley support level. Growers placed about 2.6 million pounds of type 21, 3.9 million pounds of type 22, and .8 million pounds of type 23 under Government loan. These loan quantities were about 19, 13, and 7 1/2 percent, respectively, of total deliveries to market through late February. A year ago, 21 percent of type 21 (Virginia), 25 percent of type 22, and 16 percent of type 23 went under Government loan.

Total Supply for 1951-52 Lower Than for 1950-51

Total supply of fire-cured tobacco for 1951-52 at 210 million pounds is 6 percent lower than for 1950-51 and the lowest since 1945-46. Carryover on October 1, 1951, was 147 million pounds--a drop of 11 percent from a year earlier. The decline in stocks was mostly in type 23 and to a lesser extent in type 22, but stocks of type 21 were at a postwar peak. The 1951 crop of all fire-cured combined was about 62 1/2 million pounds--6 1/2 percent greater than the small 1950 production. Most of the increase was in type 22. Although the 1951 harvested acreage of type 23 was 11 percent less than in 1950, the average yield per acre was well above the relatively low average of 1950 and the 1951 total outturn of this type increased by

4 percent. The 1951 acreage and production of type 21 held about even with 1950.

In the fire-cured tobacco referendum on December 7, 1951, over 96 percent of the growers voting approved a continuation of marketing quotas for 3 years beginning with the 1952 crop. The 1952 acreage allotment for types 21-23 totals 56,800 acres and individual farm acreage allotments will remain about the same as in 1951. If growers harvest the same proportion of this year's total allotment as in 1951 and yields per acre equal the average of recent years (adjusted for the 1950 low of type 23), the 1952 outturn would approximate 59 million pounds. This, together with probable carry-over of around 140 million pounds next October 1, would provide a total supply of nearly 200 million pounds for 1952-53--about 5 percent less than in the current year.

Total fire-cured tobacco under Government loan on February 1 totaled roughly 57 million pounds (equivalent farm-sales weight). About 12 percent of this was 1951 crop tobacco, 19 percent from the 1950 crop, and 69 percent from the crops of the 4 preceding years, 1946-49.

Table 11.- Fire-cured tobacco, types 21-24: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-51

(Farm-sales weight)

Year	Production	Stocks Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic 2/	Exports 2/	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Av. 1934-38	110.2	194.2	304.4	123.0	53.2	69.8	10.2
1939	99.4	136.2	235.6	94.0	55.1	38.9	10.6
1940	106.5	141.6	248.1	64.2	45.6	18.6	9.5
1941	69.7	183.9	253.6	69.0	51.5	17.5	14.1
1942	71.5	184.6	256.1	76.3	60.7	15.6	17.1
1943	64.9	179.8	244.7	71.2	54.5	16.7	23.4
1944	66.1	173.5	239.6	107.8	43.9	63.9	24.5
1945	58.3	131.8	190.1	85.2	37.6	47.6	31.5
1946	108.9	104.9	213.8	70.4	36.0	34.4	26.0
1947	85.8	143.4	229.2	66.6	36.3	30.3	29.5
1948	73.2	162.6	235.8	78.6	35.4	43.2	31.9
1949	72.1	157.2	229.3	64.6	35.3	29.3	29.8
1950 2/	58.7	164.7	223.4	76.2	36.4	39.8	31.2
1951 2/	62.5	147.2	209.7				3/ 39.3

1/ Year beginning October 1, 2/ Subject to revision. 3/ Auction market average.

Domestic Use and Exports

Total disappearance of fire-cured tobacco in the year ending September 30, 1951, was a little over 76 million pounds--18 percent more than the preceding year's record low. Domestic disappearance at 36.4 million pounds was up 3 percent. The 1950-51 manufacture of snuff, the major domestic outlet for fire-cured tobacco, was a little below that of October 1949-September 1950.

Exports of fire-cured tobacco during the 1950-51 marketing year at close to 40 million pounds (farm-sales weight), were sharply higher than the relatively low 1949-50 level. Exports of Kentucky-Tennessee fire-cured (accounting for over four-fifths of the total) increased by nearly 50 percent. France took more than any other country--over one-fifth of the total--and the next ranking countries were Netherlands, Switzerland, Belgium, Spain, Sweden, Britain, and French West Africa. All of the above countries and also Ireland and Algeria took substantially more Kentucky-Tennessee fire-cured in 1950-51 than in the preceding year but smaller amounts went to Germany, Denmark, Norway, Italy, and Portugal.

The exports of Virginia fire-cured tobacco declined 8 percent from 1949-50 to 1950-51 and were the smallest on record except for 2 marketing years during World War II. Norway (accounting for two-fifths of the Virginia fire-cured exports), Switzerland, Sweden, and New Zealand took significantly larger quantities than in 1949-50, but these increases were more than offset by the sharp drops in shipments to the United Kingdom, Germany, Austria, Netherlands, and Australia.

In October-December 1951 (first quarter of the 1951-52 marketing year), exports of both Kentucky-Tennessee and Virginia fire-cured were smaller than in the same months a year earlier. The largest amounts went to Netherlands, Belgium, Switzerland, Germany, Austria, Sweden, Norway, and French Africa.

DARK AIR-CURED, TYPES 35-37

Kentucky-Tennessee Prices Well Above Low 1950 Level

Auction markets for the 1951 crops of Kentucky-Tennessee dark air-cured tobacco, One Sucker (type 35) and Green River (type 36), began during the first third of December and for Virginia sun-cured, in late November. Prices for One Sucker and Green River averaged 34.4 and 34.0 cents per pound, respectively, compared with 23.6 and 22.6 cents last season. The 1951 crop averages are higher than those for any previous year. The quality of the tobacco was greatly improved over that of the 1950 season, when there was a very poor crop due to adverse weather conditions. The auction price average of 1951 Virginia sun-cured was 34.5 cents per pound compared with 33.8 cents last season. This season's average about equals the record 1943 average.

The 1951 price support level for the dark air-cured types was 33.2 cents per pound--2.7 cents above the 1950 support level. The price support for dark air-cured tobacco is computed at 66 2/3 percent of the Burley support level. Growers placed about 5 1/2 million pounds of One Sucker, 1.8 million pounds of Green River, and only a few thousand pounds of Virginia sun-cured under Government loan. These loan quantities were about 30 percent, 19 percent, and less than 1 percent, respectively, of total deliveries to the markets. In the 1950 season, 18 percent of the One Sucker, 14 percent of the Green River, and only a negligible amount of type 37 went under Government loan.

Table 12.- Dark air-cured tobacco, types 35-37: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-51

(Farm-sales weight)

Year	Production	Stocks Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic 2/	Exports 2/	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Av. 1934-38	35.5	62.8	98.3	39.0	27.0	12.0	9.4
1939	44.2	56.1	100.3	34.7	27.3	7.4	7.3
1940	42.5	65.6	108.1	33.7	29.0	4.7	7.7
1941	31.5	74.4	105.9	41.9	38.9	3.0	12.0
1942	35.2	64.0	99.2	33.9	29.8	4.1	15.0
1943	30.0	65.3	95.3	37.6	34.4	3.2	27.2
1944	44.9	57.7	102.6	42.2	35.9	6.3	23.3
1945	43.6	60.4	104.0	43.6	30.5	13.1	25.2
1946	49.6	60.4	110.0	37.3	29.7	7.6	22.5
1947	37.2	72.7	109.9	32.7	26.3	6.4	25.8
1948	34.8	77.2	112.0	37.9	23.1	14.8	28.7
1949	35.9	74.1	110.0	30.2	24.0	6.2	28.2
1950 2/	28.6	79.8	108.4	36.7	26.4	10.3	24.6
1951 2/	33.5	71.7	105.2				3/ 34.3

1/ Year beginning October 1. 2/ Subject to revision. 3/ Auction market average.

1951-52 Supplies Slightly Lower Than 1950-51

Total supply of dark air-cured tobacco for 1951-52 is 105 million pounds--3 percent below the 1950-51 level. The carry-over on October 1, 1951, was close to 72 million pounds--a drop of 10 percent from a year earlier. However, this was partially offset by an increase in production from 28.6 million pounds in 1950 to 33.5 million pounds in 1951. The major increase occurred in the One Sucker crop, which in 1951 was one-fourth larger than in 1950.

In the dark air-cured tobacco (types 35-36) referendum on December 7, 1951, over 97 percent of the growers voting approved a continuation of marketing quotas for 3 years beginning with the 1952 crop. Virginia sun-cured (type 37) also will be under quota in 1952 since the 1949 referendum on this type resulted in approval for the next 3 years. The 1952 acreage allotment for types 35-36 totals 26,600 acres and for type 37, 4,800 acres. The type 35-36 farm acreage allotments will remain about the same as in 1951 and those for Virginia sun-cured will be increased about 10 percent. If growers harvest about the same proportion of this year's total allotment as in 1951 and yields per acre equal the average of recent years (omitting the 1950 low for types 35-36), the 1952 total outturn of dark air-cured tobacco would be roughly 32 million pounds. This, together with probable carry-over of around 70 million pounds next October 1, would provide a total supply of 102 million pounds for 1952-53--slightly less than the 105 million pounds for 1951-52.

Total dark air-cured tobacco remaining under Government loan on February 1 totaled about 33 million pounds (equivalent farm-sales weight). About 21 percent of this was 1951 crop tobacco, 12 percent from the 1950 crop, and 67 percent from the crops of the preceding 4 years, 1946-49.

Domestic Use and Exports

Total disappearance of dark air-cured tobacco in the year ending September 30, 1951, was about 36 3/4 million pounds--over one-fifth larger than in the preceding year. Domestic disappearance at 26.4 million pounds increased about 10 percent. Most dark air-cured tobacco is used in chewing tobacco. However, data on manufactured chewing tobacco during October 1950-September 1951 indicated practically the same output as in the preceding year.

Dark air-cured exports during the 1950-51 marketing year at 10.3 million pounds (farm-sales weight) increased sharply from the unusually small amount in the preceding year. The 1950-51 exports of dark air-cured were about two-thirds in leaf form and one-third as Black Fat. From 1949-50 to 1950-51, One Sucker leaf exports increased 70 percent, Green River leaf exports more than doubled, and Black Fat exports went up 35 percent. The substantial increase in One Sucker was due principally to the relatively large shipments to Spain in September. Also, Nigeria, a major outlet, Belgium, and Netherlands took more than in the preceding year. The sharp upturn in Green River exports was partly due to the substantial shipment of this type to Spain in June 1951. The United Kingdom, also a major destination, got over 2 1/2 times as much in 1950-51 as in 1949-50. Liberia took slightly more but less when to Belgium. Nearly two-thirds of the 1950-51 Black Fat exports went to Nigeria and the Gold Coast--each getting more than in 1949-50. Also, Black Fat shipments to French Africa and Western Portuguese Africa were substantially larger.

In October-December 1951 (first quarter of the 1951-52 marketing year), exports of Black Fat ran well ahead of those in the same months a year earlier but exports of Green River were down sharply and exports of One Sucker were a little lower. The major destinations for Black Fat were Nigeria, Gold Coast, and French West Africa while much of the One Sucker and Green River went to Belgium.

CIGAR, TYPES 41-62

Supplies

Filler: The 1951-52 supplies of Pennsylvania (type 41) and Ohio (types 42-44) filler total 219 million pounds--4 1/2 percent larger than for 1950-51 and the largest since 1942-43. Carry-over of these types on October 1, 1951, was 157 million pounds and the 1951 crop was nearly 62 million pounds. The carry-over of Pennsylvania filler was the largest for October since 1925. The 1951 Pennsylvania crop at 54 1/2 million pounds is estimated to be a little smaller than in 1950 and Ohio filler production declined quite sharply from 10.5 to 7.2 million pounds.

The January 1, 1952, stocks of Puerto Rican filler (type 46) in the United States and on the Island totaled about 39 million pounds--10 percent less than a year ago. Stocks in the United States were down about

one-fifth but those on the Island were up from a year earlier. During the calendar year 1951, shipments of tobacco from Puerto Rico were lower than in each of the preceding 2 years, and a significant quantity came in unstemmed. (See table 13.)

Table 13.- Shipments of tobacco from Puerto Rico to the United States, average 1934-38, 1947-51

Classification	Average 1934-38	1947	1948	1949	1950	1951
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Total	22.5	15.1	15.2	17.9	19.2	16.8
Stemmed	17.4	10.0	9.6	10.1	9.9	10.2
Unstemmed	.1	.1	1/	.2	1/	3.5
Scrap	5.0	5.0	5.6	7.6	9.3	3.1

1/ Less than 50,000 pounds.

Binder: The 1951-52 supplies of binder (types 51-55) total 192 million pounds--a 4 1/2 percent reduction from 1950-51, when they were the largest since 1940-41. Carry-over on October 1, 1951, at 142 million pounds, was higher than a year earlier but the decrease in production in 1951 more than offset the increase in stocks. The carry-over for each individual type rose; although for Southern Wisconsin (type 54), the rise was slight. The 1951 production of binder types was near 50 million pounds--one-fourth less than in 1950 and the smallest outturn since 1936. For the Connecticut Valley Broadleaf (type 51), acreage was down 19 percent and harvestings by 22 percent, and Havana Seed (type 52) acreage and production were both down 27 percent from 1950. The acreage and production of Southern Wisconsin (type 54) were down 20 and 14 percent, respectively; and the acreage and harvestings of Northern Wisconsin (type 55) were both about one-third smaller than in 1950.

Wrapper: The 1951-52 supplies of cigar wrapper (types 61-62) total about 35 million pounds--very slightly more than in 1950-51. The carry-over of last July 1 was near 20 million pounds and the 1951 production was 15 million pounds. The acreage of Connecticut Valley shade-grown (type 61) was slightly larger in 1951 but the smaller yields resulted in a 7 percent drop in the size of the crop. The acreage in Georgia-Florida (type 62) was down 4 percent, but due to record yield per acre, the crop was the largest in history. The stocks of type 62 on January 1, 1952, were one-fourth larger than a year earlier but type 61 stocks were 3 percent smaller.

Cigar Filler and Binder Quotas Not in Effect in 1952

Quota and acreage allotments were in effect on all cigar filler and binder types except Pennsylvania filler (type 41) in 1951; but in 1952, no quota and acreage allotments will be in effect on any continental cigar filler and binder types. In the referendum for types 42-44 and 51-55, 65.7 percent of the growers voting favored quotas--slightly less than the required two-thirds of those voting. In the Connecticut Valley, about 88 percent of the Massachusetts growers and 50 percent of the Connecticut

growers favored quotas. About 69 percent of the Wisconsin and 57 percent of the Ohio growers voting favored quotas. In the referendum for Pennsylvania filler, about two-thirds of the growers voting were against a quota.

As provided by law, no price support will be available on the 1952 crops of the cigar filler and binder types (except Puerto Rican type 46) since the required proportion of the growers voting did not approve marketing quotas. When quotas are in effect, price support at 90 percent of parity is mandatory.

Domestic Use and Exports

Total disappearance of cigar filler (types 41-44) in the year ending September 30, 1951, was about 52 million pounds. Most of this was used in cigars and less than 1 million pounds were exported. Although cigar manufacture showed an increase, there was a larger proportion of cigarillos, which require less tobacco.

Total disappearance of cigar binder in October 1950-September 1951 was about 58 1/2 million pounds compared with the unusually low figure of 50 million pounds in the preceding year. A substantial quantity of the lower binder grades are used in scrap chewing tobacco, but this product showed relatively little change from the preceding year. Connecticut Valley Havana Seed (type 52) and Northern Wisconsin (type 55) disappearances were up sharply from the preceding year's lows and types 51 and 54 disappearances increased moderately. Exports of binder at about 2.8 million pounds (farm-sales weight), were 18 percent less than in 1949-50. Only about one-third as much went to Germany in October 1950-September 1951 as in the same period of 1949-50, when this country was the leading destination. Also, less went to Austria. However, Netherlands, Belgium, Denmark, and Sweden got substantially larger quantities than in 1949-50. In the last quarter of 1951, cigar binder exports were well above those in the final quarter of 1950. Most went to Germany, Austria, and Belgium.

The 1950-51 disappearance of domestic wrapper at 14 3/4 million pounds was a little more than in 1949-50 and exceeded any previous year's. Exports of approximately 3.6 million pounds (farm-sales weight) were slightly lower. Germany, accounting for nearly two-thirds of the total, took about the same in both years. Belgium got more but Netherlands and Denmark took less. In July-December 1951, cigar wrapper exports were moderately larger than in the same months of 1950. The principal destination was Germany but Denmark and Austria also got significant amounts.

Prices

In the Connecticut Valley area, only 5 to 10 percent of the 1951 Broadleaf crop remained unsold by the end of January. The average bundle price through December was about 50 cents a pound. The 1951 crop price support level is an average of 55.2 cents per pound. Hail injury to some crops was a major factor tending to lower the general average of prices received by growers. Last season, the 1950 crop averaged 52 cents per pound. Also, the major proportion of the Havana Seed (type 52) has been sold. Prices during the early part of the season (buying started in late November) were averaging about 5 percent higher than a year earlier. The 1951 support level for Havana Seed type 52 is 54.2 cents per pound. Last season's average price received by growers was 39.8 cents. In

Table 14.- Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-51

Type and year	Production	Stocks October 1 1/	Supply	Disappearance year beginning October 1 1/	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Filler types 41-44 2/					
Average 1934-38	48.9	159.9	208.8	54.4	10.4
Average 1939-43	60.0	154.0	214.0	59.3	13.6
1950 3/	65.7	143.8	209.5	52.2	25.2
1951 3/	61.6	157.3	218.9		
Binder types 51-56					
Average 1934-38	41.8	165.1	206.9	60.5	12.5
1939	63.3	116.6	179.9	45.0	16.6
1940	67.9	134.9	202.8	66.1	14.5
1941	61.6	136.7	198.3	60.4	16.9
1942	55.2	137.9	193.1	66.4	20.4
1943	51.0	126.7	177.7	69.2	30.3
1944	57.2	108.5	165.7	63.4	30.9
1945	62.1	102.3	164.4	60.9	47.7
1946	73.8	103.5	177.3	53.6	52.7
1947	70.3	123.7	194.0	68.2	43.4
1948	59.7	125.8	185.5	62.3	41.2
1949	62.0	123.2	185.2	50.1	36.0
1950 3/	65.8	135.1	200.9	58.5	35.9
1951 3/	49.6	142.4	192.0		
Wrapper types 61-62					
Average 1934-38	8.4	11.8	20.2	9.3	78.3
1939	11.4	10.1	21.5	7.9	67.7
1940	9.5	13.6	23.1	10.4	77.6
1941	10.1	12.7	22.8	9.6	98.4
1942	9.2	13.2	22.4	9.4	132.1
1943	10.0	13.0	23.0	8.7	167.7
1944	11.3	14.3	25.6	10.9	196.1
1945	11.2	14.7	25.9	12.3	197.3
1946	12.5	13.6	26.1	12.7	234.0
1947	13.5	13.4	26.9	12.4	296.0
1948	15.1	14.5	29.6	13.0	274.0
1949	17.3	16.6	33.9	14.5	201.0
1950 3/	15.3	19.4	34.7	14.7	203.0
1951 3/	15.0	20.0	35.0		

1/ Stocks and disappearance for types 56, 61, and 62 are as of July 1.
2/ Significant revisions of 1944-49 production data on filler will soon become available, and this table will carry those revisions in the next issue of The Tobacco Situation. 3/ Subject to revision.

Wisconsin the great bulk of the Northern area crop was sold by mid-February and averaged around 32 cents per pound compared with the 1950 season's average of 28.1. The 1951 support is 33.5 cents. A little more than one-fourth of the Southern Wisconsin crop had moved by mid-February. Its support level is 27.3 cents per pound.

Price data on other cigar types are not yet available. In the 1951 crop marketing season, price supports are in effect for all cigar filler and binder types except Pennsylvania filler type 41. For this type, no quota was in effect on the 1951 crop (it was rejected in the December 1950 referendum) and no price support can be made available. The 1951 crop support levels for the cigar types not mentioned above are as follows: Ohio types 41-44, 26.1 cents; Puerto Rican type 46, 32.6 cents; and New York and Pennsylvania Havana Seed type 53, 28.0 cents.

For the season through February 1, the quantities of cigar tobacco placed under loan from the 1951 crop were as follows: Type 52, 2.4 million pounds; type 51, 800,000 pounds; type 54, nearly 1 million pounds; and types 42-44, 229,000 pounds. The quantity of cigar tobacco from previous crops remaining under loan or in the Commodity Credit Corporation inventories on February 1, 1952, totaled about 13 million pounds. About 29 percent was type 54; 26 percent, type 52; 18 percent, type 41; 15 percent, type 46; and 12 percent, types 42-44.

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Table 15.- Internal Revenue collections from tobacco products for specified periods

Period	Cigars 1/	Cigarettes 2/	Chewing and smoking	Snuff	Total 3/
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
Average:					
1930-34	14.3	344.6	56.9	6.9	423.9
1935-39	12.8	472.0	54.9	6.7	547.6
1940-44	21.3	752.8	50.4	7.3	833.3
1945	38.2	937,2	48.6	7.9	1,034.2
1946	47.5	1,125.2	38.0	7.1	1,218.4
1947	47.1	1,175.9	35.9	7.1	1,266.7
1948	46.7	1,220.6	35.9	7.5	1,311.5
1949	43.6	1,233.1	34.9	7.4	1,320.0
1950	42.8	1,262.7	34.3	7.2	1,348.1
1951	44.0	1,363.7	30.7	6.4	1,445.8

1/ Includes small cigars and cigar floor-taxes. 2/ Includes large cigarettes and cigarette floor-taxes. 3/ Total includes cigarette papers and tubes, and leaf dealer penalties not shown separately in this table.

Bureau of Agricultural Economics. Compiled from reports of the Bureau of Internal Revenue.

Table 16.- Acreage of tobacco in the United States, by class and type, average 1934-38, annual 1950-51, and percentages

Class and type	Average 1934-38	1950 1/	1951 1/	Percentage change: Average 1934-38 to 1951	Percentage change: 1950 to 1951
	1,000 acres	1,000 acres	1,000 acres	Percent	Percent
Old and Middle Belt, type 11	327.1	348.0	396.0	+21.1	+13.8
Eastern North Carolina, type 12	296.6	307.0	356.0	+20.0	+16.0
South Carolina, type 13	155.7	193.0	224.0	+43.9	+16.1
Georgia and Florida, type 14	83.7	110.4	134.1	+60.2	+21.5
Total flue-cured, types 11-14	863.1	958.4	1,110.1	+28.6	+15.8
Virginia, type 21	23.1	9.8	9.9	-57.1	+1.0
Kentucky and Tennessee, type 22	76.7	29.9	29.3	-61.8	-2.0
Kentucky and Tennessee, type 23	32.4	13.3	11.8	-63.6	-11.3
Henderson, type 24	3.0	.0	.0	---	.0
Total fire-cured, types 21-24	135.2	53.0	51.0	-62.3	-3.8
Burley, type 31	347.2	408.3	455.6	+31.2	+11.6
Maryland, type 32	36.7	50.0	52.0	+41.7	+4.0
One Sucker, type 35	19.9	16.2	15.9	-20.1	-1.9
Green River, type 36	18.8	9.3	8.6	-54.3	-7.5
Virginia sun-cured, type 37	3.3	3.2	3.5	+6.1	+9.4
Total dark air-cured, types 35-37	42.0	28.7	28.0	-33.3	-2.4
Pennsylvania Seed leaf, type 41	23.4	36.8	34.6	+47.9	-6.0
Miami Valley, types 42-44	14.6	7.8	5.3	-63.7	-32.1
Total cigar filler, types 41-44	38.0	44.6	39.9	+5.0	-10.5
Connecticut Valley Broadleaf, type 51	7.2	10.3	8.3	+15.3	-19.4
Conn. Valley Havana Seed, type 52	5.4	9.0	6.6	+22.2	-26.7
N. Y. and Pa. Havana Seed, type 53	.7	1.0	.7	.0	-30.0
Southern Wisconsin, type 54	8.9	9.3	7.4	-16.9	-20.4
Northern Wisconsin, type 55	6.7	12.8	8.7	+29.9	-32.0
Georgia and Florida sun-grown, type 56	2/ 1.0	.0	.0	---	.0
Total cigar binder, types 51-56	2/29.9	42.4	31.7	+6.0	-25.2
Conn. Valley Shade-grown, type 61	6.3	8.3	8.4	+33.3	+1.2
Ga. and Fla. Shade-grown, type 62	2.6	5.4	5.2	+100.0	-3.7
Total cigar wrapper, types 61-62	8.9	13.7	13.6	+52.8	-.7
Louisiana Perique, type 72	.3	.4	.4	+33.3	.0
Total all types	1,501.3	1,599.5	1,782.3	+18.7	+11.4

1/ Preliminary.
2/ Includes a small amount of type 45 supplanted by type 56.

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Table 17.- Tobacco manufactures: Net sales, costs and expenses, net income, and profit ratios, annual 1947-50, by quarters 1950-51

Year and quarter	Net sales	Costs, expenses, and other deductions	Net income		Profit			
					Per dollar of sales		As percentage of stockholders' equity (annual basis)	
			Before Federal income tax	After Federal income tax	Before Federal income tax	After Federal income tax	Before Federal income tax	After Federal income tax
	Million dollars	Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent
1947	2,641	2,463	178	109	6.7	4.1	16.6	10.1
1948	3,081	2,824	257	159	8.3	5.2	22.0	13.7
1949	3,061	2,811	250	156	8.2	5.1	20.2	12.6
1950	3,129	2,849	281	152	9.0	4.9	21.3	11.5
1950								
1	703	652	52	32	7.4	4.6	16.4	10.0
2	775	712	63	39	8.1	5.0	19.2	12.0
3	839	754	85	45	10.1	5.4	25.2	13.2
4	812	731	81	36	10.0	4.4	24.4	10.8
1951								
1	751	683	68	32	9.1	4.3	20.4	9.6
2	828	759	69	34	8.3	4.1	20.4	10.0
3	854	778	76	31	8.9	3.6	22.5	9.2

Bureau of Agricultural Economics. Compiled and adapted from Quarterly Industrial Financial Report Series of Federal Trade Commission and Securities and Exchange Commission.